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CENTRAL INTELLIGENCE AGENCY

Office of Legislative Counsel Washington, D. C. 20505

elephone:

17 September 1976

Mr. Frank Slatinshek, Chief Counsel Committee on Armed Services House of Representatives

With reference to my telephone conversation with you this evening, I am attaching a copy of the Director's letter to Aviation Week along with a copy of the article to which his letter makes reference. As you can see, he was more than mildly ticked off by the article. If you would like anything further on this, we would be happy to have give you a fill in.

George Z. Cary Legislative Counsel

Attachments

FORM 1533 OBSOLETE PREVIOUS EDITIONS

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## CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

OLC #76- 2650

September 17, 1976

Mr. Robert B. Holtz Aviation Week and Space Technology McGraw-Hill Publications, Inc. 1221 Avenue of the Americas New York, New York 10020

Dear Mr. Holtz:

The Aviation Week and Space Technology for September 13th in the Washington Roundup section made reference to alleged manipulation of intelligence produced by the Central Intelligence Agency. It is regrettable that you had made no attempt to give us an opportunity to comment on the relevant portion of your report which impugns the integrity of the national foreign intelligence production process, of Secretary Kissinger, of myself as the President's chief intelligence adviser, and most important, of all the intelligence professionals who serve this country.

Specifically: I have never received nor would I ever entertain a suggestion, from whatever source and for whatever reason, to slant the intelligence product. I would never consider abusing my authority as Director of Central Intelligence for the purpose of manipulating results of professional analysis of intelligence data. I have complete confidence that CIA and Intelligence Community analysts working on this type study would resign before they would do what your article suggests.

In one short article, Secretary Kissinger, CIA analysts and, by inference, myself, have been maliciously slandered. I hope you will try to partially correct the damage by printing this letter.

Sincerely,

A/DCI/kgt/17 Sept. 1976

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Geofge Bush

Director

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#### Henry's Slant

Secretary of State Henry A. Kissinger directed the Central Intelligence Agency to slant U.S. estimates of the Soviet Tupolev Backfire bomber's range capability, White House officials are charging. Kissinger ordered that the range estimate be reduced to coincide with the present U.S. position in the strategic arms negotiations now under way behind the scenes by Kissinger, according to a White House staff member. Other Administration officials corroborate the story. Kissinger already has conceded to the Soviets that the Backfire will not be considered in the heavy bomber category in the treaty negotiations and is making sure intelligence estimates confirm his position, the White House official added.

The way in which the estimate was derived was through intelligence data provided to McDonnell Douglas. The aerospace firm completed an analysis under contract for the CIA to determine the supersonic Backfire's capability. A 3,500-naut. mi. range estimate reached by McDonnell Douglas was accurate, the White House official said, but the data provided were not all of the information available to U. S. intelligence officers. Only those data the CIA wanted to provide the company were offered to achieve the desired results supporting Kissinger's position, according to the official.

#### Different Approach

Similar study is now in progress for the Pentagon by McDonnell Douglas, but it is based on a different set of data—all the information available to Defense Dept. intelligence officials. That study's preliminary results revealed the Backfire's range is closer to the original U.S. intelligence estimate of 6,000 naut. mi., clearly marking the aircraft in the heavy bomber category that would be counted in the 2,400 strategic delivery vehicle limit set in the Ford-Brezhnev Vladivostok agreement. The Ford Administration is preparing to consummate a treaty based on Vladivostok permitting the Soviets to operate the Backfire as an intermediate-range bomber and through other concessions limiting U.S. cruise missiles.

Since the McDonnell Douglas/CIA study, the Pentagon has pulled together top-ranked propulsion and aerodynamic experts from around the nation to examine the study. They have concluded there is no validity in the estimate of the Backfire's range being only 3,500 naut. mi. McDonnell Douglas officials declined to talk to AVIATION WEEK & SPACE TECHNOLOGY about the studies, claiming national security is involved.

#### **Cost Growth**

Defense Dept. selected acquisition reports on the costs of 44 major weapon programs total \$175.8 billion, an increase of \$4.8 billion over the previous SARs submitted to Congress on Mar. 31. The latest reports, based on June 30 estimates, reflect the addition of a fourth Nimitz-class nuclear-powered aircraft carrier and a major escalation in program estimates for the Air Force/McDonnell Douglas F-15 air-superiority fighter (AW&ST Aug. 2, p. 38). The June estimate for the F-15 acquisition program totals \$12.2 billion, up by \$734.7 million from the March report. The growth includes a \$3.8-million cost overrun in prior year funding and a projected cost growth of \$730.9 million from Fiscal 1978 through Fiscal 1980.

Other major cost growths since March include the Navy/Grumman F-14 air-superiority fighter, \$162.9 million; the Navy/Lockheed S-3A carrier-based ASW patrol aircraft, \$111.1 million; the Navy/Lockheed Trident fleet ballistic missile, \$358.6 million, and the USAF/Boeing Minuteman 3 ICBM, \$257.6 million, largely reflecting an add-on buy of 60 missiles in Fiscal 1977.

### Noise Compromise

Vice President Nelson A. Rockefeller has been asked by President Ford to draft a compromise proposal on aviation noise policy because of the severe split in positions between Transportation Secretary William T. Coleman, Jr., on one side, and James Lynn, director of the Office of Management and Budget, and James Cannon, director of the Domestic Council, on the other. The President met with Coleman, Lynn and Cannon early last week but reached no decision on the vital retrofit/replacement issue. Presidential indecisiveness forced Coleman to cancel an appearance before the House Public Works and Transportation aviation subcommittee last week. Coleman met at least twice last week with the vice president on the issue, and those Administration officials who would like to see the issue decision delayed indefinitely were concerned a decision could be forthcoming from the President in the next few days.

—Washington Staff

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